BALANCED BUDGET AMENDMENT/Welfare Policy for Children

SUBJECT: Balanced Budget Constitutional Amendment . . . S. J. Res. 1. Hatch motion to table the Wellstone amendment No. 3.

ACTION: MOTION TO TABLE AGREED TO, 64-36

SYNOPSIS: As reported, S. J. Res. 1, the Balanced Budget Constitutional Amendment: will require a three-fifths majority vote of both Houses of Congress to deficit spend or to increase the public debt limit; will require the President's annual proposed budget submission to be in balance; and will require a majority of the whole number of each House to approve any bill to increase revenue. Congress will be allowed to waive these requirements for any fiscal year in which a declaration of war is in effect. Congress will enforce and implement this amendment by appropriate legislation. The amendment will take effect in fiscal year 2002 or with the second fiscal year beginning after its ratification, whichever is later. The States will have 7 years to ratify the amendment. For related debate, see 103rd Congress, second session, vote Nos. 47-48, 104th Congress, first session, vote Nos. 62-63 and 65-98, and 104th Congress, second session, vote No. 158.

The Wellstone amendment would add the following: "Section 8. It is the policy of the United States that, in achieving a balanced budget, Federal outlays must not be reduced in a manner that disproportionately affects outlays for education, nutrition, and health programs for poor children."

Debate was limited by unanimous consent. Following debate, Senator Hatch moved to table the amendment. Generally, those favoring the motion to table opposed the amendment; those opposing the motion to table favored the amendment.

Those favoring the motion to table contended:

The worst thing that anyone could do for the children of America, including children on welfare, would be to vote for the Wellstone amendment. We know many of our colleagues sincerely believe that carving out this special treatment to guarantee

(See other side) NAYS (36) **YEAS (64)** NOT VOTING (0) Republicans Republicans **Democrats Democrats** Republicans **Democrats** (54 or 98%) (10 or 22%) (1 or 2%) (35 or 78%) (0)(0)Abraham Helms Baucus Specter Akaka Kerrey Allard Hutchinson Biden Boxer Kerry Ashcroft Hutchison Bingaman Breaux Landrieu Bennett Inhofe Bryan Bumpers Lautenberg Bond Jeffords Feingold Byrd Leahy Brownback Kempthorne Graham Cleland Levin Burns Kyl Hollings Conrad Lieberman Campbell Lott Kohl Daschle Mikulski Moseley-Braun Chafee Lugar Reid Dodd Coats Mack Robb Dorgan Moynihan Cochran McCain Durbin Murray Collins McConnell Feinstein Reed Coverdell Murkowski Rockefeller Ford Sarbanes Craig Nickles Glenn D'Amato Roberts Harkin Torricelli DeWine Roth Inouye Wellstone Domenici Santorum Johnson Wyden Enzi Sessions Kennedy **EXPLANATION OF ABSENCE:** Faircloth Shelby 1—Official Business Smith, Bob Frist 2-Necessarily Absent Gorton Smith, Gordon 3—Illness Gramm Snowe 4—Other Stevens Grams Grassley Thomas Gregg Thompson Hagel Thurmond AY—Announced Yea Hatch AN-Announced Nay PY-Paired Yea PN-Paired Nay

VOTE NO. 8 FEBRUARY 11, 1997

"proportional" treatment for welfare programs will help poor children by keeping spending higher on those programs, but they are horrendously mistaken. It is not enough to be sincere; one must also be right or one can cause tremendous misery.

We believe that the "Great Society" programs which many of our more liberal colleagues still blindly embrace have ruined the lives of millions of Americans who were supposed to be helped by them. More than \$5 trillion has been spent on those welfare programs since their inception, yet the number of poor Americans has risen as benefits have gone up. Further, the creation of the welfare state has been accompanied by huge increases in illegitimacy rates, alcohol and drug abuse rates, and crime rates. Not only have some Americans been trapped in welfare for their whole lives, but now their children and their grandchildren have followed in their footsteps. Decades of social science research have consistently shown that increasing welfare benefits increases rather than decreases poverty, but, because this result is counter-intuitive, and because people naturally want to help when they see someone, especially a child, in need, that research has generally been disregarded by policymakers. As our liberal colleagues correctly note, the problem has been getting worse. Their preferred solution, with the best of intentions, is to spend more on the policies that have failed for 3 decades.

Our preferred solution is to find policies that work. Frankly, we do not know the best means of stopping the increase in poverty or of undoing the damage that has already been done, nor do we believe does anyone else. Further, we by no means believe that the same solution or solutions that work in one area of the country will work in another. For instance, homelessness in one area of the country may come primarily from poverty, in another it may be primarily a result of substance abuse, and in another it may be primarily due to legal impediments to providing needed care to the mentally ill. Similarly, we by no means believe that the solution for one aspect of poverty necessarily applies to another. Solutions to get people working are not necessarily going to have any relation to solutions that make health care more accessible for working poor Americans. Rather than trying to force a Federal solution to meet varying State and local problems, we favor giving broad authority to State and local governments to experiment. Some methods will work better than others, and States will learn from and emulate other States' successes. The 104th Congress followed that course last year in the welfare reform bill that it enacted. Our colleagues have repeatedly noted that over the years that bill will result in \$65 billion in savings, and have implied that those savings were made for the purpose of cutting the deficit. While we make no apologies for cutting the deficit, the purpose of that reform bill was to reform welfare, not cut the deficit. Over the years that bill will result in people being moved off of welfare and into the workforce. With fewer people receiving welfare less should then be spent on it. Unlike our liberal colleagues, we measure the success of welfare programs by how well they get people off of welfare and into work, not by how much is spent on them.

With this background, we urge our colleagues to examine the Wellstone amendment. On its face it could be interpreted to be the equivalent of a "sense of the Constitution" amendment because it states a policy. Such a statement in the Constitution would be a first. With legislative language, policy statements are not binding. The courts might eventually rule that "sense of the Constitution" statements were equally non-binding, but we think that would be extremely unlikely. It is quite a stretch to say that because legislative language can be enacted that conflicts with legislative intent then legislative language can be enacted that conflicts with constitutional intent.

Unelected judges with lifetime tenures have been extremely active in recent years in discovering new interpretations for the Constitution, and they have used those creative interpretations to throw out and rewrite laws that have been passed by elected legislatures. In the judgment of many Senators, our constitutional, republican form of government has already been damaged by the arrogant, undemocratic behavior of judges. Passing the Wellstone amendment would give such judges a new, nearly unlimited opportunity to twist the Constitution to suit their own policy preferences. The amendment would nearly command judges to interfere in budget decisions and their decisions would stand. Congress, for instance, might decide that poor children were children below the poverty line, and that the Wellstone amendment did not apply to children above the poverty line who received welfare. If a Federal judge disagreed he or she could order Congress to spend more money on the program, and absent a new constitutional amendment it would have to. Similarly, Congress could decide that the amendment applied to total outlays for poor children, and that therefore it could increase funding for programs that were working and cut funding for failing programs. Any Federal judge, though, could say that the Wellstone amendment actually meant that no particular program could be cut disproportionately. The opportunity for mischief would be extreme.

The amendment's sponsor tells us that the way he reads his amendment it would require a totalling up of all entitlement welfare spending for children and all other entitlement spending, and then making no more than an exact proportional reduction in the spending for children, and then doing the same thing for discretionary spending. He then suggests that we do not have to be rocket scientists to understand that his amendment would require this calculation-apparently we are not quite as adept at reading the penumbra of his amendment as he is. Even assuming that this is the calculation that every judge will see as the only possible way to interpret the amendment the calculation is unescapably subjective. Many programs serve a wide spectrum of people besides poor children, without clear delineations being made as to who is receiving what percentages of the assistance. In other cases, poor children receive aid on bases other than being poor--perhaps because of where they live, for public health reasons, even just because they are children. Congress would not have any authority to say what it meant by outlays for poor children--judges would decide.

In arguing for this amendment, our colleagues have talked about particular welfare programs that have very broad, and deserved,

FEBRUARY 11, 1997 VOTE NO. 8

bipartisan support. Programs like the Women, Infants, and Children (WIC) Program and the Pregnant Women and Children (PWC) Program have served as life-saving helping hands for millions of women and children. Their benefits have been well-documented both for program participants and for society at large (due to the avoidance of greatal societal costs like huge premature delivery bills that would have been incurred if aid had not been given). Certainly not all welfare programs work poorly; as we said at the outset, we do not want to get rid of welfare, we want to reform it; programs that work in reducing poverty while providing indispensable aid to children should be encouraged and should provide as much aid as is needed. Giving aid based just on what was give the previous year without any regard to the present need makes no sense, nor does giving aid equally to all existing programs without any regard as to which programs are working better. Further, it makes even less sense to make those decisions in isolation from other policy decisions. For instance, the Federal Government historically has been more involved in providing aid to senior citizens than to children. In general, aid to children has been a State and local responsibility. America's population is aging, plus the per capita costs of caring for the elderly are rising. Presumably, unless the Federal Government decides to abdicate part of the responsibility it has assumed, the share of the Federal budget that goes to care for senior citizens is also going to have to rise. The Wellstone amendment would protect all welfare for children, but would leave America's elderly without any special constitutional protection. It is very conceivable that in future years the need for providing welfare to children will be dramatically less than it is now. However, under the Wellstone amendment, we would still be locked into spending the same proportional amount.

The share of the national debt for every child born in America today is \$20,000. When we borrow money to give more welfare to children, we are stealing those children's future to pay for their present. When the Government borrows money interest rates climb, less is available for investment, wages stagnate, and jobs are lost. Balancing the budget will create millions of new jobs that will give poor children a chance to lead productive lives instead of staying in hopeless dependency.

The Constitution is intended to protect the great principles upon which our country rests. One such principle which was implicitly understood but which has been forgotten in recent decades is that the present generation has no right to borrow away the future of the next. This balanced budget amendment will restore this principle by making it explicit in the Constitution. The Wellstone amendment, rather than advancing a great principle, would merely attempt to lock in place, forever, policy options on children's welfare that were put in place to meet present circumstances. The Wellstone amendment clearly does not belong in the Constitution and should be emphatically rejected.

Those opposing the motion to table contended:

We passionately oppose passing a balanced budget constitutional amendment, and we add that many of us think this Nation has higher priorities right now than balancing the budget. Increasing spending on poor people, providing universal health care, and spending more on education are examples of greater priorities. We think that if we attended more to the human needs of the disenfranchised in this country instead of wasting huge sums of money on defense and instead of giving tax breaks to wealthy corporations that the economy would improve and the budget would end up balancing by itself. With that said, we recognize that there is a real possibility that this resolution may pass, and it is therefore incumbent upon us to try to improve it before it does. On that basis we have offered the Wellstone amendment.

All it would require is that as a matter of policy efforts to balance the budget would not disproportionately hurt poor children. We see nothing at all hard in meeting this requirement; all Congress would have to do is keep cuts in entitlements for poor kids in line with cuts in other entitlements, and keep cuts in discretionary spending equally proportional. Our colleagues are wrong in claiming that the amendment could be misinterpreted. It would allow cuts in programs for immunizations, school lunchs, and similarly valuable programs, but it would not allow those programs to take the brunt of the cutbacks.

If Senators think that such a result is unlikely with or without the Wellstone amendment, then they should look at the previous Congress' record. According to the Congressional Budget Office, the 104th Congress cut entitlement spending by \$65.6 billion, with \$61 billion of that amount coming out of low-income programs. Very little was asked of wealthy Americans or corporations; in fact, we spent a good deal of our time in the previous 2 years fighting efforts to give out new tax breaks to the privileged few in America.

Last Congress really just accelerated a trend that has gone on for many years. Over the past 20 years the number of children living in families below the poverty line has doubled. The number of people without health insurance has also steadily increased, as has the number of people who are working but who are paid so poorly they still fall under the poverty line. Congress has not responded effectively to the problem of poverty. Members of both parties like to talk about how much they support Head Start, the Women, Infants, and Children (WIC) program, and similar programs, but every year they provide inadequate funding.

We need to stop this trend. If we are going to balance the budget, we must at least lock ourselves into doing so fairly. The only ones who suffer should not be the one out of four American children who are poor. In the interest of fairness, we urge our colleagues not to table the Wellstone amendment.